

## EXECUTIVE SUMMARY

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The North Carolina State Ports Authority (NCSPA) commissioned the Institute for Transportation Research and Education (ITRE) at NC State University to assess the economic contribution of the state's ocean ports for calendar year (CY) 2009, the latest full-year dataset available. The NCSPA owns and operates two ocean ports on the eastern seaboard: the Port of Wilmington and the Port of Morehead City. This project examined the current economic contribution of port services for these two publicly-owned ocean ports in North Carolina, both on a statewide and economic development region level.

The findings of the study show that there is approximately \$7.5 billion in annual economic contribution to the state's economy associated with goods moving through North Carolina ports (\$6.4 billion attributed to the Port of Wilmington and \$1.1 billion attributed to the Port of Morehead City). The ports directly and indirectly support over 65,000 jobs across North Carolina. Deepwater port shipping is clearly a substantial economic engine for the state. The availability of the Ports of Wilmington and Morehead City play a significant role in the supply chain decisions of companies currently having operations in North Carolina and those considering locating manufacturing and distribution operations in North Carolina. This study documents the significant economic contribution that the existing deep water ports in North Carolina have in supporting and encouraging economic development across the state. The major components of the economic contribution included in this study are direct, indirect, and induced contributions to output or gross revenue, labor income, jobs, and tax collections. All of these components are defined and explained in more detail in this report. The direct contributions were derived from commodity data, while IMPLAN® multipliers were used to generate estimates of the indirect and induced contributions of activity at the ports, as well as the analysis of tax contributions. IMPLAN® is a widely used software model for economic contribution studies of ports and other transportation assets.

In 2009, the North Carolina ports supported over \$2.4 billion in labor income (payrolls and self-employment income) for North Carolina workers. The jobs that the North Carolina ports supported in 2009 had an average salary of \$37,300. An analysis of 2009 average annual wages found that the wages of the jobs supported by the movement of goods through NCSPA ports were higher than the average annual wages in 91 of the 100 counties in North Carolina. Employment related to activity at the Port of Morehead City had a higher average salary than the jobs related to those activities through the Port of Wilmington. Additionally, the export-related jobs from Port of Wilmington activity had a higher average salary than import-related jobs.

Another important component of the contribution that the North Carolina ports have on the local and state level are the taxes generated by the economic activity supported by the ports. Almost \$500 million in sales, property, corporate, and personal taxes were received by state and local governments in 2009 due to activity supported by NCSPA ports. Local property tax collections of \$170 million are supported by activity at the Port of Wilmington, while activity at the Port of Morehead City supports over \$8.5 million. The activity supported by NCSPA ports resulted in over \$250 million in sales tax collections across the state. Additionally, state corporate and personal taxes of over \$70 million are collected due to activity supported by the Port of Wilmington and the Port of Morehead City.